

**Provincial Finance Limited (In Receivership)
Consumer Credit Limited (In Receivership)
South Auckland Cars Limited (In Receivership)**

**Receivers' Report on the State of Affairs of Provincial Finance Limited,
Consumer Credit Limited and South Auckland Cars Limited (All In Receivership)**

Pursuant to Section 24 of the Receiverships Act 1993

31 July 2009

Registrar of Companies
Companies Office
Private Bag 92061
Auckland Mail Centre
AUCKLAND

31 July 2009

Dear Sir/Madam

Provincial Finance Limited (In Receivership) (Company Number: 315014)
Consumer Credit Limited (In Receivership) (Company Number: 927785)
South Auckland Cars Limited (In Receivership) (Company Number: 1675071)

Please find attached a further report in relation to the above companies pursuant to Section 24 of the Receiverships Act 1993.

Yours sincerely
For Provincial Finance Limited (In Receivership)
Consumer Credit Limited (In Receivership)
South Auckland Cars Limited (In Receivership)



Maurice Noone
Receiver



Malcolm Hollis
Receiver

1.1 Introduction and Summary

- This further report in relation to Provincial Finance Limited (“Provincial” or “the Company”), is prepared pursuant to Section 24 of the Receiverships Act 1993. This report includes Provincial and related companies Consumer Credit Limited (“CCL”) (wholly owned by Provincial) and South Auckland Cars Limited (“SACL”) (wholly owned by Provincial and related parties) (together “the Companies”).
- As previously advised, John Waller and Maurice Noone were appointed receivers of the Companies on the afternoon of 30 May 2006 by the Trustee, Perpetual Trust Limited (“the Trustee”) under the terms of the Debenture Trust Deed dated 20 May 1998 (along with subsequent Deeds of Variation and Supplemental Deeds). John Waller has retired from his position at PricewaterhouseCoopers and has accordingly resigned from his position as receiver of the Companies. Malcolm Hollis of PricewaterhouseCoopers was appointed as receiver in respect of the Companies in his place on 22 December 2008.
- Since our last report we are pleased to report that we have successfully concluded the litigation against Veda Advantage and have made our final distribution to Debenture Holders.
- The 10th and final pro-rata principal repayment to secured Debenture Holders took place on the 29th of May 2009. This brought the total pro-rata principal repayments made by the Receivers to Debenture Holders to 92.2 cents in each dollar invested, or \$273 million.
- This now effectively brings the receivership to a conclusion. We are finalising a number of minor matters, with a view to ceasing to act in the near future. Given that all assets have now been realised, it is clear that Debenture Holders will not receive any accrued interest and Redeemable Preference Shareholders will not recover any funds from the receivership.

1.2 Notice of Restrictions

- This report is subject to the restrictions set out below:
- The statements and opinions expressed herein have been made in good faith, and on the basis that all information relied upon is true and accurate in all material respects, and not misleading by reason of omission or otherwise.
- In compiling this report we have relied on the accuracy of relevant information provided by the management of the Companies. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.
- The statements and opinions expressed in this report are based on information available as at the date of the report.
- We reserve the right, but will be under no obligation, to review or amend our Report, if any additional information, which was in existence on the date of this report was not brought to our attention, or subsequently comes to light.

1.3 Receipts and Payments

- The table below sets out a summary of the unaudited receipts and payments for the seven months to 31 December 2006, six months to 30 June 2007, 31 December 2007, 30 June 2008, 31 December 2008, six months to 30 June 2009 and the period of receivership.

PROVINCIAL FINANCE GROUP (IN RECEIVERSHIP)							
Statement of Receipts & Payments							
(\$000's)	Period of Receivership	6 months to 30-Jun-09	6 months to 31-Dec-08	6 months to 30-Jun-08	6 months to 31-Dec-07	6 months to 30-Jun-07	7 months to 31-Dec-06
Receipts							
Loan repayments/sale of receivables books	263,338	2	24,371	31,127	40,212	65,442	102,183
Sale of bad debts	1,050	0	0	0	0	0	1,050
Sale of properties/fixd assets	5,606	0	0	0	78	0	5,528
Interest received - bank deposits	3,032	27	248	385	474	685	1,212
Tax refunds	8,329	0	0	0	0	0	8,329
Dividends received and advance from TPI	7,558	1,858	0	0	5,700	0	0
Other net receipts	5,401	3,015	0	0	316	762	1,309
subtotal receipts	294,314	4,902	24,619	31,512	46,780	66,889	119,611
Payments							
Wages	6,679	16	473	919	1,389	1,530	2,352
Other overheads and expenses	16,088	440	875	1,713	2,841	4,043	6,176
Lending - Commercial facility drawdowns	4,234	0	0	0	7	400	3,828
Secured mortgagee repayment	2,157	0	0	0	0	0	2,157
Receivers fees	3,266	231	593	193	351	470	1,429
Other payments	440	0	0	0	0	0	440
subtotal payments	32,864	687	1,941	2,825	4,588	6,442	16,382
Opening cash balance	11,587	841	1,861	2,784	5,007	11,181	11,587
Cash available for distibution	273,036	5,057	24,539	31,471	47,199	71,629	114,816
Repayments to Debentureholders	273,013	5,034	23,698	29,610	44,415	66,622	103,635
Closing Cash Balance	23	23	841	1,861	2,784	5,007	11,181

This report comprises the receipts and payments for the Group companies in receivership:

Provincial Finance Ltd, Consumer Credit Ltd and South Auckland Cars Ltd

Source: Management Reports

1.4 Conclusion

- As noted, it is our intention to cease to act as receivers in the near future. A copy of our final receivers report will be filed in due course.
- Once again, and finally, we sincerely thank investors for their ongoing support throughout the receivership and acknowledge the good work done by the staff involved in the recovery of the monies owed to the Companies.

- Should investors or other stakeholders have any queries arising from this report please contact us via one of the following methods:
 - Web at: <http://www.pwc.com/nz/provincialfinance>
 - Our post office box (P O Box 13244, Christchurch), or
 - By fax on 03 374 3001.